

VENTURA HARBOR VILLAGE MARINA

Feasibility Report
\$200,000 Phase I Loan
Fiscal Year 1998-99



State of California
The Resources Agency
DEPARTMENT OF BOATING AND WATERWAYS

VENTURA HARBOR VILLAGE MARINA

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GENERAL DESCRIPTION

Project Location and Background

The Ventura Harbor Village Marina is located in the coastal city of San Buenaventura (commonly known simply as Ventura) and is about 65 miles north of Los Angeles and 30 miles south of Santa Barbara. The Ventura Harbor Village Marina is one of four marinas in Ventura Harbor and occupies the southern portion of the harbor directly adjacent to Ventura Harbor Village, an eclectic mix of over 40 specialty shops and restaurants



Ventura Harbor Village Marina

combined with offices and open spaces. Ventura Harbor is operated by the Ventura Port District and serves the interests of both recreational and commercial boaters. Pleasure craft, a commercial fishing fleet, charter fishing boats, and excursion boats occupy most of the approximately 1,400 total available berths at Ventura Harbor. Additionally, Ventura Harbor supports a commercial fish buying facility and boatyard services. Both Ventura Harbor and Ventura Harbor Village are important attractions in the burgeoning \$100 million-a-year recreation and tourism industry in Ventura (Source: City of San Buenaventura).

Ventura Harbor Village Marina is easily reached by exiting U.S. 101 at Seaward Avenue and traveling west to Harbor Boulevard. Proceed south on Harbor Boulevard and turn west on Spinnaker Drive.

Site Description

The Ventura Harbor Village Marina has 200 slips ranging in length from 30 to 100 feet and was constructed in 1981. The berthing system is composed of wood-framed docks with reinforced concrete-covered floatation units and wooden decking. Concrete piles anchor the docks and electrical power and potable water service is provided to each slip. Access to the docks is via wooden gangways and the marina basin slopes are stabilized by stone riprap.

A 12 foot-wide concrete promenade rims the marina and separates the Ventura Harbor Village retail complex from the marina docks.



Typical wood docks at marina

Both the Ventura Harbor Village Marina and the Ventura Harbor Village are owned by the Ventura Port District and managed by PBM Asset Management and Leasing by agreement with the Port.

Loan Applicant

The Ventura Port District was created in 1952 with the purpose of acquiring land to construct and operate a small craft harbor in Ventura. The resultant Ventura Harbor began operations in 1963.

Previous Commission Actions

The Boating and Waterways Commission previously approved construction loans to the Ventura Harbor District in FY 1958-59 for \$900,000; in FY 1968-69 for \$3,000,000; and, in FY 1973-74 for \$500,000. The Commission in FY 1967-68 approved a planning loan for \$45,000. Grant funds for the construction of the Ventura Harbor Boat Launching Facility were approved by the Commission in FY 1974-75 for \$150,000, in FY 1984-85 for \$265,000, and again in FY 1993/94 for \$206,000.

ENGINEERING CONSIDERATIONS

Proposed Project

This project will rehabilitate most of the docks in the marina, reconfigure others, rehabilitate gangways, repair the rock slope protection in the marina, repair portions of the concrete promenade, and construct a new public restroom. The proposed project scope is based largely on the findings of a loan feasibility study dated May 1997 conducted by consulting engineers hired by the Ventura Port District.

Dock and Gangway Rehabilitation:

Docks 3, 4, C, D, E, F, G and associated gangways (see attached site plan) are 18 years old and are at the point in their life cycles where major rehabilitation now will ensure sustained longevity of the product. The total rehabilitation work will be divided into finger rebuilding, decking replacement, rub strip and miscellaneous hardware replacement, and gangway servicing components.

Approximately 25 percent of the fingers on the above-mentioned docks are experiencing torsional distress. Problems with the flotation, problems with the crossmember bracing, or both cause this twisting of the finger docks. Affected finger docks will be rebuilt or replaced on an as-needed basis.



Note twisted finger dock

Approximately 20 percent of the existing wood decking is split, chipped, worn or uneven. The decking will be replaced with equivalent material as part of this project.

Approximately 30 percent of the rub strips on the docks are damaged or missing. These rub strip boards will be replaced with like material or better. Additionally, a number of pile guides and pile caps are damaged or missing and will be replaced.

The gangways have been well maintained and are only in need of light sanding and painting.



Steep drop-offs next to promenade

Dock Reconfiguration: Dock B and a portion of Dock C are worn beyond the point where rehabilitation will provide satisfactory results. These docks will be replaced in a new configuration (see attached site plan) that addresses current public demand for larger berths and the directive in the certified Local Coastal Program to increase slip and wharf space for commercial vessels.

Rock Slope Protection and Promenade Repair: The embankment along the entire marina basin is exhibiting a gradual downward migration of soil and

protective slope armoring. This movement of soil has left portions of the adjacent concrete promenade unsupported resulting in the formation of large, longitudinal cracks and steep drop-offs next to the walk.

The proposed project work includes rebuilding the basin embankment, restoring the rock slope protection, and strengthening and repairing the concrete promenade.

Construct New Restroom: The two public restrooms that currently serve this facility are inadequate to meet public demand during peak summer or holiday weekends. A new public restroom will be constructed in a building in the Ventura Harbor Village complex.



Location of new public restroom

Cost Estimate

| | |
|--|--------------------|
| Dock and Gangway Rehabilitation | \$600,000 |
| Dock Reconfiguration | 280,000 |
| Rock Slope Protection and Promenade Repair | 430,000 |
| Construct New Restroom | 120,000 |
| Sub Total | 1,430,000 |
| Contingency | 126,000 |
| Engineering & Inspection | 144,000 |
| Total Estimated Cost | \$1,700,000 |

Conclusion

There are no particularly difficult or unusual problems associated with this project. It is therefore considered feasible, from an engineering standpoint, at an estimated construction cost of \$1,700,000.

FINANCIAL ANALYSIS

A loan project is assumed to be financially feasible if: (1) sufficient capital is available to finance construction to completion; (2) estimated annual revenues are sufficient to cover total annual expenses; and (3) there is adequate collateral security for the proposed loan.

Capital

Total cost of the Ventura Harbor Village Marina rehabilitation project is expected to be \$1,700,000. The Ventura Port District will use Department of Boating and Waterways loan funds to finance these costs. Total funding provided by Boating and Waterways is anticipated to be \$1,700,000. There is, therefore, sufficient capital to construct the facilities to completion.

Revenues and Expenses

A project's financial feasibility also depends on whether there will be sufficient revenue to pay for project expenses on an annual basis, including the repayment of the proposed Department of Boating and Waterways loan. The estimated revenues, expenses, and debt service (see Table 1) are as follows:

Revenues

Revenues to repay the Department of Boating and Waterways loan will be generated from the operation of the marina and the adjacent Harbor Village retail/office space. The Port District collects revenue from many sources a list of revenue sources (including a break down of slip rental fees) can be found in Table 1. Total revenue is expected to be \$5,628,000 in 2002 when DBW loan repayment begins.

Expenses

The Department estimates the annual debt service on the proposed \$1,700,000 loan to be \$104,400, commencing August 1, 2002. The Ventura Port District estimates total operating expenses in 2002 to be \$3,484,000. Total installment debt (including the bond repayment of the Port District) will be approximately \$1,490,000. And, total expense including debt repayment is estimated to be \$4,974,000.

Collateral Security

The Ventura Port District has proposed a pledge of Net Revenues to the Department of Boating and Waterways as loan collateral. The Department would take a subordinate position on all Net Revenues and all amounts deposited in the Revenue Fund and other funds and accounts created for the payment of contracts and bonds behind the Port District's *Series 1998 Installment Payments*. As indicated in Table 1, the expected Net Revenue is more than adequate to cover the Series 1998 Installment Payments and the Department's loans.

Conclusion

As shown in this report, it is expected that the requisite factors necessary to establish the project's financial feasibility will be met. There is adequate capital to finance the project, estimated revenues exceed estimated expenses, and the Ventura Port District will provide adequate collateral for the proposed loan. Therefore, the Ventura Harbor Village Marina project, as proposed, is considered financially feasible.

RECOMMENDATION

The Department of Boating and Waterways recommends that its Commission consent to this \$200,000 Phase I loan to the Ventura Port District for the rehabilitation of the Ventura Harbor Village Marina.

Table 1

| | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| REVENUES | | | | | | |
| Ventura Port District | | | | | | |
| Parcel Leases | 1,349 | 1,349 | 1,416 | 1,444 | 1,809 | 1,809 |
| District Operated Facilities | 64 | 65 | 65 | 65 | 65 | 65 |
| Property Taxes | 491 | 491 | 500 | 500 | 500 | 500 |
| Interest Income | 160 | 170 | 160 | 160 | 160 | 160 |
| Miscellaneous | 99 | 101 | 103 | 105 | 106 | 106 |
| Non-Profit Corporations | | | | | | |
| Parcel Leases | 1,680 | 1,730 | 1,782 | 1,836 | 1,891 | 1,891 |
| Camm Income | 303 | 313 | 322 | 332 | 341 | 341 |
| Boat Slip Rental ¹ | 645 | 664 | 684 | 705 | 726 | 726 |
| Interest Income | 27 | 17 | 17 | 17 | 17 | 17 |
| Miscellaneous | 11 | 11 | 12 | 12 | 12 | 12 |
| TOTAL REVENUE | \$ 4,829 | \$ 4,911 | \$ 5,061 | \$ 5,176 | \$ 5,628 | \$ 5,628 |
| EXPENSES | | | | | | |
| Ventura Port District | | | | | | |
| Administration | 1146 | 1181 | 1216 | 1253 | 1290 | 1290 |
| Maintenance | 99 | 102 | 105 | 108 | 112 | 112 |
| Harbor Dredging | 240 | 260 | 300 | 465 | 275 | 275 |
| Outside Services | 477 | 179 | 185 | 190 | 196 | 196 |
| Non-Profit Corporation | | | | | | |
| General Operations | 827 | 851 | 877 | 903 | 939 | 939 |
| Outside Services | 288 | 296 | 305 | 314 | 324 | 324 |
| Maintenance | 245 | 253 | 260 | 268 | 276 | 276 |
| Promotion/Advertising | 64 | 66 | 68 | 70 | 72 | 72 |
| TOTAL EXPENSE | \$ 3,386 | \$ 3,189 | \$ 3,316 | \$ 3,572 | \$ 3,484 | \$ 3,484 |
| NET REVENUE | \$ 1,443 | \$ 1,723 | \$ 1,744 | \$ 1,604 | \$ 2,144 | \$ 2,144 |
| INSTALLMENT DEBT | | | | | | |
| Installment Payments | - | 965 | 956 | 956 | 1,181 | 1,177 |
| DBW Restructured Loans | 205 | 205 | 205 | 205 | 205 | 205 |
| New DBW Loan | | | | | 13 | 122 |
| TOTAL INSTALLMENT DEBT | \$ 205 | \$ 1,170 | \$ 1,161 | \$ 1,161 | \$ 1,398 | \$ 1,503 |
| FUND BALANCE | \$ 1,239 | \$ 553 | \$ 584 | \$ 443 | \$ 745 | \$ 641 |
| 1) Slip rates have not changed since 1/1/92 Commercial Fishing: Monthly: \$6.75 per foot per month Transient - weekly: \$2.00 per foot per week Transient - daily: \$0.40 per foot per day Charter: \$7.25 per foot per month Recreational: \$7.90 per foot per month Transient: \$0.40 per foot per day Liveaboard (<i>min. 35' vessel</i>): 1 Person: \$87.00 per month 2 People: \$135.00 per month 3 or more people: \$65.00 per person per month | | | | | | |



